

Messaging Guidance

The Alliance has been talking to a wide audience of potential buyers and current homeowners about what they look for in an agent.

Value of Buyers' Agents

According to focus groups and national surveys of consumers across a diverse demographic spectrum - here's what they said. Consumers most value the following traits:

Buyers' Agents Provide Value

Buyers' agents are most valuable when they perform tasks that homebuyers don't want to do—or cannot do themselves.

Listen to—and react to—client needs	Mitigate stress	Serve as navigators	Act as buyers' liaison
“Homebuyers rely on their real estate agent’s ability to listen to what they want and need in a home, and then curate a list of homes to tour.”	“Having a homebuyers’ real estate agent helps demystify the process, streamline the transaction, and mitigate stress for a buyer.”	“Homebuyers’ real estate agents are navigators, who take on literally dozens of tasks, large and small, to help buyers reach their goal of homeownership.”	“A homebuyer’s real estate agent acts as the buyer’s liaison during negotiations, counseling the buyer and making counter-offers as needed.”

According to national polling, consumers ranked the following buyer agent services as the most valuable.

Presented here are the top 5 services in order of importance:

1. **Guide homebuyers** through the thicket of legal and financial requirements
2. **Resolve challenges** that come up during the inspection
3. **Bargain to help buyers** save money on the purchase price
4. **Help buyers** determine the correct offer amount
5. **Listen to the buyer** and then curate a list of homes to tour

Consumers see significant risk in going it alone:

For those not able to afford an agent, buying a house without one can really cost a buyer dearly. For example, going to the negotiating table without an advocate might result in paying a higher purchase price, especially for homebuyers who are not experienced negotiators. Or, it might mean not getting their desired home at all because their offer did not meet a seller's expectations, or because a bidding war was too much to handle alone. Without professional guidance through the thicket of paperwork and regulations, buyers could make expensive mistakes.

Engaging an Agent

The following insights were derived from consumer focus groups inclusive of diverse group of potential buyers and homeowners. Consumers value transparency and effective communication, and desire a written agreement with their agent. Here's what we heard:

Engaging an Agent

When the split commission model is made transparent to a homebuyer in the form of a buyer representation agreement, it fosters a successful business relationship with their agent, and it helps a buyer attain his or her desired home.

Incentives bring buyers	MLS roots out fraudsters	Other factors drive up home prices, not compensation	For transparency, we need buyer representation agreements	Buyers should not be left to fend for themselves
“If you want to motivate people to do something, such as bring prospective buyers around to see a home, it helps to incentivize them.”	“The MLS helps minimize fraud in the home-selling process since not just anyone can post a listing. In most states it has to be an agent.”	“It’s market forces driving real estate prices, not the agent compensation structure.”	“For the buyer and his or her agent to have a successful business relationship, there must be transparency.”	“People should not be forced to go through the homebuying process alone.”

Buyers say that they want an upfront and honest conversation with their potential agent. They agreed that:

For the buyer and his or her agent to have a successful business relationship, there must be transparency. The way to ensure transparency is through something that’s not common now, but will become much-more-common going forward: a buyer representation agreement. This agreement will spell out the responsibilities of both the buyer and their agent, so there’s no confusion about what the buyer expects and what the agent will do on the buyer’s behalf.

This agreement will make sure that buyers have a loyal advocate representing them in the transaction. It will provide clarity on the services a consumer should expect from the agent, and how the consumer can partner with the agent to conclude a successful transaction.

The buyer and the prospective buyer’s agent will also discuss how much the agent will be compensated, and by whom.